

**THE COMMON COUNCIL OF THE CIVIL CITY OF NEW ALBANY,
INDIANA, WILL HOLD A REGULAR COUNCIL MEETING IN THE THIRD
FLOOR ASSEMBLY ROOM OF THE CITY/COUNTY BUILDING ON
THURSDAY, September 20, 2007 AT 7:30 P.M.**

The meeting of the **New Albany City Council** was called to order by President Larry Kochert at 7:33 p.m. The meeting opened with the Lords Prayer and the Pledge of Allegiance.

MEMBERS PRESENT: Council Members Mr. Coffey, Mr. Schmidt, Mr. Price, Mrs. Crump, Mr. Gahan, Mr. Blevins, Mr. Messer, Mr. Zurschmiede and President Larry Kochert.

OTHERS: Council Attorney Jerry Ulrich and City Clerk Marcey Wisman.

ALSO: Mayor James Garner and Board of Works member Matt Denison

APPROVAL OR CORRECTION OF THE FOLLOWING MINUTES:

Mr. Coffey moved to approve the regular meeting minutes from September 6th, Mr. Schmidt second, all voted in favor.

Mr. Coffey moved to approve the public hearing minutes from September 6th, Mr. Schmidt second, all voted in favor.

APPROVAL OF CF-1 FORMS:

COMMUNICATIONS – PUBLIC:

COMMUNICATIONS – CITY OFFICIALS:

Beverly Crump, stated that residents on Victor Street are upset because it is a city street and it has only been paved one time in the past 35 years and she believes it really needs some attention. She stated that there are some people that have redone their driveways and the garbage trucks re using them as turnarounds.

Mayor Garner stated that he received an e-mail on the same problem and they will take a look at it.

Dan Coffey stated that he had the City Clerk to put in their packets an article from one of the blogs. He stated that it is full of innuendos and misconceptions and he wanted it to be in the minutes so that the citizens can understand what the Council has had to battle in order to do their jobs.

“The flower pot had been moved inches to the left, and I noticed it when I went to get the morning paper. It meant that my informant, Even Deeper Throat, had something to report, and sure enough, the note with the elegant handwriting and a faint aroma of French cigarettes was pinned beneath the passenger side wiper on my pickup truck.

It’s a power play

Under the proposed redistricting they’ll be touting tomorrow at the illegal “haring”, Bob Caesar would be gerrymandered completely out of the 2nd district. Even if he wins and the switch is made after election, he will not be allowed to represent a district where is does not live, at which point the Democratic Party could appoint someone of its choice. The front runner, coming in the back door, would be the man Caesar overwhelmingly defeated in the primary Bill Schmidt, or worse yet, Schmidt’s wife, whose fingerprints are all over this hurried “new” plan of Larry Kochert’s, which Anna started drawing up the day after the primary was over.

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You can be that Larry will be pushing it because it will have the further effect of overloading the 6th district with Republican voters, and of course he and Jeff Gahan are not going out to dinner much lately.

What most people, even the Tribune, don't seem to understand is that Kochert's statement at the last Council meeting is entirely false. He told the council that "the judge" ordered it to redistrict by November 22, 2007. But there is no record of any such order, and Jerry Ulrich, the council attorney, knows it because he was the only other council member representative at the meeting besides Kochert himself. Seeing as the plaintiff's were seeking to have redistricting finished by the summer of 2008, there's actually no hurry at all, unless the only objective is to arrogantly negate ballots cast in a fair election by putting into place a gerrymandering plan drawn up by the wife of the defeated candidate – and he's campaigning for the Republican.

Think of it as the Kochert & Ko. Koup. The misspelling is by design. Have a good day, NAC – the empire is striking back. Think anyone else in town will notice?" Posted by The New Albanian 9/13/2007

Jeff Gahan stated that he received information from the Mayor regarding sewer and Stormwater projects and he thanked them for getting that to the council.

Ms. Wisman stated that she supplied a copy in the packets of the proposal from American Legal and stated that she was going to go with the \$14,000.00 quote which is not quite \$1,000 more than they were quoted a couple of years ago. She explained that there were a few items on their desks that were just to inform the council of the different projects she has been working on with DNA for the holiday season.

Mr. LaDuke gave the council a list of houses that will be demolished 707 E. Spring, 1710 Monon Ave, 640 W. 5th, 1817 Conservative, and 30 E. 18th. He stated that they have all been served with notices and unless they come to the next meeting and object they will come down soon after the October 15th meeting.

COMMUNICATIONS – MAYOR:

Mayor Garner handed out additional information for the council from the sewer department and Tax information. He also asked that they table R-07-34 and A-07-28 until after the next meeting because he has a company that will be coming in and showing their proposal for the second phase of Scribner Place.

Mr. Coffey stated that they would be coming in to ask the council for money again.

Mayor Garner explained that they are coming in to tell the council what they would like to do, part of it is dealing with parking and they want to know if the City can do anything to help them with other alternatives besides flat parking.

Mr. Coffey stated that the individuals that did the bonging for the YMCA and Scribner House instructed them to use the EDIT tax to back it because it will lower the interest rate but they would never need it and now they don't have the project complete and they are already looking to the City to subsidize the second phase. He stated that he would like to see some of the money go back into the neighborhoods.

Mayor Garner stated that the TIF dollars have to be spent in or serving that TIF district and EDIT funds can be used wherever they want, but if they take EDIT money to pay back the TIF they are limiting where the dollars can be spent.

Mr. Coffey stated that they would be using TIF money to pay back EDIT.

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Mayor Garner stated that he just wanted the council to be able to see it and decide what they want to cut. He explained that it may double the investment or triple it down the road.

Mr. Coffey stated that they need to start using the tax money for the tax payers as a whole.

Mayor Garner stated that they have been doing that and exampled the sewers.

Mr. Coffey stated that it is not the responsibility of the tax payers to continue to subsidize these projects.

Mayor Garner stated that they do know that there is enough EDIT money to pay the yearly fees and they do know they are going to get \$1M a year from Caesars even if they went out of business tomorrow and the County has signed a contract to pay their fair share.

Ms. Crump stated that they need get some capital improvements in downtown New Albany to bring the tax dollars into the city.

Mayor Garner stated that they are trying to get things done for the city with the EDIT dollars as well with paving and other projects but they do have to invest some money into capital improvements.

Mr. Coffey stated that he can appreciate that but that to invest in the city of New Albany it doesn't just stop with the downtown area. He isn't suggesting that they forgo the improvements to the downtown area but he believes it needs to be spread out.

Mayor Garner said the same could be said for the block grant money and it not being spread out equally in the areas but they put the money to use where it would produce the greatest improvement in those areas. They are trying to spread the money throughout the city but they can't let the downtown area die. They are beginning to see new businesses go in and they would like to keep that momentum going.

Mr. Coffey asked about the negotiations with the police and fire departments.

Mayor Garner explained that he offered them the three (3%) plus longevity that the council allowed him to give them but there are still a couple points of disagreement.

Mr. Schmidt asked if they don't use the TIF money to reimburse EDIT are they reneging on the bond agreement.

Mayor Garner stated that if they go back to the original bond issue it says that EDIT will cover the agreement if it was unable to be paid. He also stated that after the last rain event he checked the field at Holy Family and he found no excess water.

Mr. Blevins asked if there is any way to eliminate the parking time limit because they want people to come downtown but then they end up getting parking tickets if they are there too long.

Mayor Garner stated that there has been a lot of discussion about this but a lot of the problem is for the merchants themselves and they are trying to come to an agreement about parking for the standpoint of a resident, merchant, and patron but they have not come up with a solution that makes everyone happy.

Mr. Blevins asked if they could eliminate the parking restrictions in certain areas

Mayor Garner stated that they could but the merchants would be the one using the spaces and would defeat the purpose of doing this for the patrons.

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COMMITTEE REPORTS:

APPOINTMENTS:

Nathan Grimes – Stormwater Board member

Valla Ann Bolovschak – Stormwater Board member

Mr. Messer asked that they hold up on this until these have been advertised and give notice to the public. He thinks they need to revisit the applications that came from the public the first time.

The Board decided to advertise and give it to the 15th of October for applications to be in.

INTRODUCTION OF ORDINANCES AND RESOLUTIONS: READING

R-07-32 Resolution Zurschmiede

Mr. Zurschmiede stated that this is basically the same as the one that Mr. Price tabled and he is not sure why it is back in their packets.

Mrs. Garry stated that she changed some wording on it and it is up to them what they wanted to do with it.

Mr. Zurschmiede pulled this item.

R-07-33 Transfer of Funds Messer

Mr. Messer stated that he believes that this is taking money from contractual services to pay for part-time salary.

Mrs. Garry stated that she had a full-time employee in her office that transferred to the Fire Department and she is trying to use two part-timers instead of a full-time one.

Mr. Messer moved for the reading of R-07-33, Mr. Coffey second, all voted in favor by a show of hands.

R-07-34 Resolution Regarding Downtown TIF Funds to be Coffey
Used for the Repayment of EDIT Funds that were
Used to Make the Bond Payments on the State
Street Parking Garage

Mr. Coffey tabled this resolution.

A-07-28 Ordinance Regarding Downtown TIF Funds to be Coffey 1
Used for the Repayment of EDIT Funds that were
Used to Make the Bond Payments on the State
Street Parking Garage

Mr. Coffey moved for the first reading of A-07-28, Mr. Price second, the motion passed with a vote of 5 ayes from Mr. Coffey, Mr. Blevins, Mr. Schmidt, Mr. Price, and Mr. Kochert and 4 nays from Mr. Gahan., Mr. Zurschmiede, Mr. Messer, and Mrs. Crump.

Mr. Gahan asked if there was a time table that he was shooting for on this.

Mr. Coffey stated that he is not going to table this because it does take three readings and he is willing to hear what the developer has to say, but he thinks it time that people in the government need to learn to live within their means. He stated that the Redevelopment has other projects that they are running over their budget.

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Mrs. Crump asked what projects have gone over their budget.

Mr. Price stated that the Daisy Lane project went over by \$800,000.

Mr. Rosenbarger stated that Phase I was over what was budgeted but they are working to come back into budget through the other phases of Daisy Lane. He stated that he has a list of projects that they are paying for with TIF money.

Mrs. Crump asked what they were.

Mr. Rosenbarger listed:

Reese Lane Reconstruction

Hausfeldt Lane Reconstruction

Charlestown Road. two projects

Mt. Tabor Road

Daisy Lane

Grantline Road

Mr. Messer asked him for reasons that it would be best to leave money in TIF rather than putting it into EDIT.

Mr. Rosenbarger explained to better look out for the commission of capital improvement projects and to look at the need for these capital improvements.

Mr. Messer asked if they do the projects with TIF money is it possible that it would generate more.

Mr. Rosenbarger said yes and it isn't that you can't do the same thing with EDIT money as well but Tiff money is the easiest investment money to look at because it represents only the increased in assessed value.

Mr. Messer asked who pays into EDIT

Mr. Rosenbarger would be the tax payers.

Mr. Messer asked who pays into TIF

Mr. Rosenbarger stated all property tax payers in Floyd County.

Mr. Messer said so they are actually helping the community by using TIF to make better investments and possibly bring in more money and businesses into the community.

Mr. Rosenbarger said yes

Mr. Coffey asked what other projects have used EDIT funds

Mr. Rosenbarger stated that he doesn't know where EDIT has been used.

Mr. Gahan asked what the difference was between using TIF money and using EDIT money and how the role of the council differs.

Mr. Rosenbarger explained that difference to his knowledge is that EDIT money is appropriated by the council based on council approved plans by the executive and TIF money is appropriated by the redevelopment commission based on economic development plan approved by the plan.

There was a lengthy discussion regarding how TIF and EDIT Funds could be used.

Mr. Coffey explained that the difference between TIF and EDIT is that TIF can only be used in the TIF area where EDIT can be used anywhere.

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Mr. Price asked about the number of TIF areas that are in the City and if TIF money impacts the general fund and can it be a burden on the tax payers.

Mayor Garner explained that the new increment in taxes goes into the area for capital improvement projects and it would be less of a burden to the tax payers to spread it out if they got rid of the TIF area but then they only have general fund dollars. If they do not have a TIF district they will have to look for other methods of funding for anything the city may need and EDIT has a limited supply as well. He stated that their responsibility is to try and level out where the money goes to and not throw it out at one area and that is why it is split with TIF and EDIT so it can be spread out. He explained that without TIF money the City would have been unable to do some of the projects that they have worked on such as Daisy Lane and Charlestown Rd where it should have been annexed.

Mr. Coffey read minutes from November 14, 2001 that stated “The director also stated that by the time the project is paid of we will pay approximately \$3,697,350 of EDIT in to the parking garage projects. The director stated that one the bonds are paid off then the TIF funds can be collected to refund the city that EDIT contributed. In return the city can use those funds for other capital improvement projects.”

Mr. Gahan stated that he understands what he is saying but it sounds as if something exciting is going to be proposed at the next meeting and he believes it is reasonable to put this off until they hear the proposal. He stated he doesn’t want to begin to undo something that they have put so much effort into prematurely.

Mr. Coffey stated that this is just a first reading of the ordinance and at least if the money comes out of EDIT it has to come before the council and they have to vote on it but if it is TIF redevelopment votes on it.

Mr. Messer stated that anything that big has to be approved by the council either way.

Mr. Coffey stated that he doesn’t remember the Daisy Lane project coming before the council.

Mr. Rosenbarger stated that the Daisy Lane project did come before the council and they approve the use of funds based on an economic development plan and that project was listed in the plans.

A-07-23 Ordinance for Appropriations and Tax Rates Schmidt 2&3

Mr. Schmidt moved for the second and third readings of A-07-23, Mr. Coffey second, all voted in favor. Bill A-07-23 became Ordinance A-07-41

A-07-24 An Ordinance to Fix the Non-Reverting Budgets for Zurschmiede2&3
Year 2008

Mr. Zurschmiede moved for the second and third readings of A-07-24, Mr. Coffey second, all voted in favor. . Bill A-07-24 became Ordinance A-07-42

A-07-25 An Ordinance Setting Salaries for The Year 2008 Gahan 2&3
For the Non-Bargaining Unit Employees

Mr. Gahan moved for the second and third readings of A-07-25, Mr. Blevins second, all voted in favor. Bill A-07-25 became Ordinance A-07-43

Mr. Coffey asked if this is the ordinance that he asked that certain position be removed from this ordinance. He feels that there is no need for the Director of Operation, Human Resources Director and he doesn’t feel that they need two people chalking tires and one should be removed.

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Mrs. Crump spoke on behalf of the two clerks and receptionist that work in the police department getting an increase in salary.

Mr. Kochert stated that in order to make any changed there would have to be an amendment and as Mr. Ulrich pointed out it would have to be very specific for each line.

Mayor Garner asked Mrs. Garry to correct him if he was wrong but that it was his understanding that they could increase the salaries after it was passed with the council's approval.

Mr. Coffey asked if they would still be able to go back and eliminate some of the positions. He said he doesn't want to lose the money in the salaries but he does want to eliminate some of the positions.

Mayor Garner stated that he can't answer that question but that some of these positions that Mr. Coffey is saying weren't there in the past were there just a different title. He stated that the previous administration had a Chief of Staff and he didn't want that position he wanted a Director of Operations that would head up the Board of Works and that is what Mr. Toran does. He stated that he believes this position is necessary to the function of the city to deal with complaints and issues that he as the mayor would be unable to deal with and the department heads if they were out working would be unable to deal with.

Mrs. Garry spoke against eliminating the Benefits specialist. She stated that this position is necessary to the employees of this city and that person services over 600 individuals and fields questions and concerns with the health benefits.

Mr. Coffey stated that we have less city employees but this salary keeps going up.

Mr. Price stated that he would agree that there are some changed that need to be made but he believes it needs to be studied and a confirmation of what these positions are worth.

Mr. Messer stated that he doesn't understand where this council is coming from. He stated that they can't even get through a night of doing their job and that they should get back to what they should be doing and let the individuals that were elected by the public do theirs. He explained that their job is to set the budgets, pass the ordinances, and represent the people but this council seems to want to do the mayor's job, be the police department and every other position that is in the city.

Mr. Price stated that they control the purse strings so they do have a responsibility

Mr. Messer stated that he would agree but the citizens are unable to get the services they need because they don't have enough employees and they are sitting there talking about cutting positions.

Mr. Blevins stated that Mr. Coffey is not being irresponsible by looking out for the money of the city. He explained that he is not saying he wants to eliminate any positions but that they need to consider all the raises that are being requested from certain department when other employees in the city are losing their jobs. He stated that all the employees in the city deserve raises not just one particular group. He stated they are bickering over the difference between 3% and 4% and there are so many that are losing their jobs.

Mrs. Crump stated that she was told that if they wanted to request raises that they needed to take it to Mrs. Garry in writing and it could be added and she wanted to let everyone know that she did just that and if they are saying now that they can't be added then she had nothing to do with that.

Mr. Messer stated that in the past four years the council has done nothing to improve or bring citizens into the city to revitalize it. He said the only way to get people back in the

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city is to offer good salaries, good housing. He said they need to be able to raise money and the council has done nothing to facilitate this and build a better community.

Mr. Price said that he doesn't agree completely with that. They have the industrial park, Greenaway and the Daisy Lane projects that are being completed.

Mr. Messer said that these projects are being completed because of the good employees that they are trying to cut out.

Mr. Price stated that he was under the impression that the council agreed on the 3% raise across the board and he believes that is what they should go with.

A-07-26	An Ordinance Setting Salaries for the Year 2008 For Sworn Members of the New Albany Police and Fire Departments; and An Ordinance Setting Salaries For the Year 2008 for Members of the Communications (CWA); and an Ordinance For Setting Salaries for the Year 2008 for Members of the ASCME Union	Crump 2&3
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Mrs. Crump moved for the second and third readings of A-07-26, Mr. Coffey second, all voted in favor. Bill A-07-26 became Ordinance A-07-44

A-07-27	An Ordinance Approving an Additional Appropriation Per R-07-18 for the Economic Development Income Tax (EDIT) Fund	Gahan 2&3
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Mr. Gahan moved for the second and third readings of A-07-27, Mr. Messer second, all voted in favor. Bill A-07-27 became Ordinance A-07-45

Z-07-16	Ordinance Amending the Code of Ordinances of New Albany, Indiana, Title XV, Chapter 156 (Docket P-14-07: BBT Tires, Inc.)	Zurschmiede2&3
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Mr. Zurschmiede moved for the second and third readings of Z-07-16, Mr. Price second, all voted in favor. Bill Z-07-16 became Ordinance A-07-46

MISCELLANEOUS COMMUNICATIONS: (public comments on non-agenda items)

Mayor Garner stated that the individuals would like to come in next meeting to give a presentation.

Mr. Kochert stated that they could come in at 7:15 prior to the regular meeting.

Lloyd Wimp, 1834 E. Spring Street presented another proposal for the redistricting.

Roger Baylor, read a statement from Mr. Jeff Gillenwater which is on file with the City clerk's office and made a part of the record.

Randy Smith, gave an example of a city that doubled its value by building streets and sidewalks and putting in fire hydrants by borrowing money and stated that if that city did not put the money in TIF funds then the next year they would have the same amount of money even though it doubled in value, but if they use TIF funds they will get the same amount of money and be able to pay for it out of the funds. He stated that he hasn't noticed anything that the downtown area is getting that other areas aren't.

Mr. Gahan asked if the offer they made should be considering tonight since it was not presented by their attorney.

Mr. Ulrich stated that they are anticipating a special meeting prior to their next meeting and they can discuss it at that time.

Mrs. Crump asked if there was a deadline of November 22nd.

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Mr. Ulrich said there is no order signed by a judge stating that. He explained that is the date they agreed on in principal and the exact agreement is that they would have second and third readings by that date.

Mr. Messer stated that these people are asking them to sit down and talk with them instead of going to court and that says to him that they are willing to drop the lawsuit if they will sit down and come up with a plan that suites everyone's needs. He stated that if they have the opportunity to sit down and they don't try then it says a lot about the council.

Mr. Gahan made a motion to set a committee with the three at-large-council members, Mr. Messer second, the motioned passed with 5 aye votes from Mrs. Crump, Mr. Gahan. Mr. Blevins, Mr. Messer and Mr. Zurschmiede, and three nay votes from Mr. Coffey. Mr. Kochert and Mr. Price. Mr. Schmidt abstained.

ADJOURN:

There being no further business to be heard, the meeting adjourned at 9:34 p.m.

Larry Kochert, President
Common Council, City of New Albany

ATTEST: _____
Marcey J. Wisman, City Clerk

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